GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:3927
ANSWERED ON:20.03.2015
DEFENCE CONTRACTS
Patel Shri Prahlad Singh

Will the Minister of DEFENCE be pleased to state:

(a) the total number of defence contracts awarded by his Ministry under Capital Expenditure (CAPEX) from January, 2014 to December 2014;

(b) the number of defence tenders cancelled during the said period along with the reasons therefor;

(c) the quantum of expenditure incurred in the year 2014-15; and

(d) whether any cuts have been proposed in the CAPEX during the Financial Year 2014-15, and if so, the reasons therefor?

Answer

MINISTER OF DEFENCE (SHRI MANOHAR PARRIKAR)

(a) to (d): 83 contracts have been signed for capital procurement of defence equipment for the three forces during 2014. 27 Requests for Proposal (RFP) were retracted during this period due to various reasons such as single vendor situation, non compliance to Staff Qualitative Requirements (SQR), non extension of Bid validity by vendor etc.

Capital expenditure of Rs.69,269.75 crore has been incurred in Financial Year 2014-15 (upto February 2015) of which Rs.56,776.47 crore is on Capital Acquisition. A cut of Rs.12,622.71 crore under capital head, has been imposed by Ministry of Finance in Revised Estimate 2014-15 over Budget Estimate provision of Rs.94,587.95 crore.